

## 105 - Office of Financial Management

### A001 Accounting Services for Other Agencies

The Office of Financial Management (OFM) provides comprehensive, cost-effective accounting, budgeting, and payroll services to small agencies. Small Agency Client Services (SACS) serves as the fiscal officer, financial advisor, budget officer, and service coordinator for these agencies.

	FY 2010	FY 2011	Biennial Total
FTE's	12.3	14.3	13.3
GFS	\$155,000	\$163,000	\$318,000
Other	\$0	\$0	\$0
Total	\$155,000	\$163,000	\$318,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Safeguard and manage public funds

#### Expected Results

Dollar and FTE staff savings for the state. Small agencies can focus their efforts on achieving their missions and goals. Maintain current clients who refer SACS to others.

### A002 Administrative Activity

The Administrative activity represents the OFM Director's Office. This includes the director, deputy director, legislative liaison, communications director, legal counsel, and their support staff.

	FY 2010	FY 2011	Biennial Total
FTE's	10.8	11.8	11.3
GFS	\$1,442,000	\$1,449,000	\$2,891,000
Other	\$0	\$0	\$0
Total	\$1,442,000	\$1,449,000	\$2,891,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide data, information, and analysis to support decision-making

#### Expected Results

Well coordinated day-to-day operations of the Office of Financial Management.

### A003 Assessment Payments on State Lands

Appropriation Period: 2009-11 Activity Version: 2C - 2009-11 Enacted Recast

OFM pays taxes and other assessments on state-owned lands in accordance with RCW 79.44.

	FY 2010	FY 2011	Biennial Total
FTE's	0.0	0.0	0.0
GFS	\$125,000	\$125,000	\$250,000
Other	\$0	\$0	\$0
Total	\$125,000	\$125,000	\$250,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Safeguard and manage public funds

### Expected Results

Meet the requirements of RCW 79.44.

## A004 Budget Driver and Expenditure Forecasts, Research, and Monitoring

The Budget Driver, Expenditure Forecasts, Research, and Monitoring activity supports fiscal planning, budget monitoring, and risk management functions of the Office of Financial Management. The staff develops and provides data and quantitative analysis for the state's health care, human services, and P-20 education programs in support of budget development. The activity also staffs OFM's responsibilities on the Caseload Forecast Council; provides OFM with the ability to monitor and identify rapid changes in spending patterns; and provides technical assistance to agencies in the development of data infrastructure and information systems to support fiscal management. Recently added functions include the Education Data Center (EDC) and the Strategic Health Planning Office (SHPO), both established in statute. The EDC is responsible for integrating data across education sectors so that student transitions and outcomes can be tracked and explained. The SHPO has focused on practice variation and other research to help identify potential areas in public and private health care where costs can be reduced and/or quality improved.

	FY 2010	FY 2011	Biennial Total
FTE's	8.9	8.9	8.9
GFS	\$1,152,000	\$1,013,000	\$2,165,000
Other	\$53,000	\$53,000	\$106,000
Total	\$1,205,000	\$1,066,000	\$2,271,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide data, information, and analysis to support decision-making

### Expected Results

*Appropriation Period: 2009-11 Activity Version: 2C - 2009-11 Enacted Recast*

Early identification of unanticipated expenditure and caseload growth pressures. Containment of emerging fiscal problems and development of timely and effective remedies or mitigation strategies. More effective use of scarce resources.

## **A005 Enterprise Financial Systems Support**

The Office of Financial Management's (OFM) Information Services Division (ISD) is the main supplier of financial and administrative systems to all of state government, particularly in its support role of the statewide accounting and budgeting processes for which OFM is responsible. ISD currently supports over 90 applications of various size, complexity and user base, including the state's general ledger accounting system., budget development and allotment systems, fiscal note system, travel and expense management system and enterprise reporting tools. This activity helps reduce the total cost of government by providing systems all agencies can use, reducing the need and cost for individual agency applications. System support activities include user training and help desk support. The division also provides internal technology support to OFM and the Governor's Office.

	FY 2010	FY 2011	Biennial Total
FTE's	104.6	104.6	104.6
GFS	\$1,191,000	\$1,228,000	\$2,419,000
Other	\$17,676,000	\$15,897,000	\$33,573,000
Total	\$18,867,000	\$17,125,000	\$35,992,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide data, information, and analysis to support decision-making

### **Expected Results**

Maximize the value of the state's investments in financial and administrative systems. Streamline business processes to make it easier for state employees to perform their jobs. Provide easy, timely access to valuable information to improve decision making and operational effectiveness. Drive an enterprise-wide framework that supports the cost effective delivery of a modern, secure, integrated suite of financial and administrative systems.

Number of Fastrack reports requested by agencies daily.*				
Biennium	Period	Target	Actual	Variance
2007-09	8th Qtr	2,500	2,767	267
	4th Qtr	2,205	2,405	200
2005-07	8th Qtr	2,000	1,970	(30)
	4th Qtr	1,800	1,605	(195)
<i>Fastrack is a web-based agency financial reporting system.</i>				

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Number of Travel Voucher System vouchers processed annually.*				
Biennium	Period	Target	Actual	Variance
2007-09	8th Qtr	85,000	66,475	(18,525)
	4th Qtr	75,430	80,282	4,852
2005-07	8th Qtr	65,000	75,430	10,430
	4th Qtr	62,000	65,659	3,659
*The Travel Voucher System is a web-based system available to process travel reimbursement.				

Percentage of all payments made electronically using either electronic funds transfer or inter-agency payment.				
Biennium	Period	Target	Actual	Variance
2007-09	8th Qtr	40%	29%	(11)%
	4th Qtr	40%	38%	(2)%
2005-07	8th Qtr	38%	38%	0%
	4th Qtr	36%	35%	(1)%

Percentage of all payments made using "hands off" methods. This includes payments made via electronic fund transfer, inter-agency payment, or warrant insertion.*				
Biennium	Period	Target	Actual	Variance
2007-09	8th Qtr	87%	83.9%	(3.1)%
	4th Qtr	87%	79.9%	(7.1)%
2005-07	8th Qtr	87%	78.4%	(8.6)%
	4th Qtr	85%	79%	(6)%
Warrant insertion occurs when vendor warrants are mailed from a central service center instead of from the agency.				

## A006 Collective Bargaining

OFM represents the Governor in collective bargaining negotiations for wages, hours, and working conditions for represented classified employees, including those in higher education. As a result of legislation passed by the 2002 Legislature, OFM negotiates all master contracts and provides guidance for all supplemental bargaining. The first contracts were submitted to the Legislature for approval with the Governor's 2005-07 budget request. (Labor Relations Service Account)

	FY 2010	FY 2011	Biennial Total
FTE's	21.0	21.0	21.0
GFS	\$242,000	\$249,000	\$491,000
Other	\$2,525,000	\$2,535,000	\$5,060,000
Total	\$2,767,000	\$2,784,000	\$5,551,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide data, information, and analysis to support decision-making

### Expected Results

A process for negotiating employee benefits, resulting in collective bargaining contracts for all represented classified employees.

## A008 Governor's Budget Development

OFM's Budget Division assists in the development of the Governor's budget proposal to the Legislature. Primary activities include evaluating budget requests from state agencies and providing the Governor with recommendations for funding levels; preparing the Governor's budget proposal; assisting the Governor in establishing financial, budget, and program policies for the state; and monitoring agency implementation of executive and legislative budget objectives. (General Fund-State)

	FY 2010	FY 2011	Biennial Total
FTE's	38.8	41.4	40.1
GFS	\$4,304,000	\$4,329,000	\$8,633,000
Other	\$223,000	\$227,000	\$450,000
Total	\$4,527,000	\$4,556,000	\$9,083,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide data, information, and analysis to support decision-making

### Expected Results

A balanced budget recommendation reflecting the Governor's fiscal and policy priorities. Timely, accurate, and objective budget/performance information and advice. Execution of the state budget in accordance with actual revenues and legislative/gubernatorial intent.

## A009 Office of Regulatory Assistance

The Office of Regulatory Assistance coordinates permit assistance activities with various state agencies. It oversees the customer service, permit facilitation and coordination, and other activities within the permit assistance program in the Department of Ecology. It also oversees the contract with Ecology for permit assistance activities; works with businesses and project proponents on permitting issues and helps answer questions regarding state, federal, and local agency processes; and works to streamline regulatory processes. The Office of Regulatory Assistance also works with state agencies to develop and adopt an integrated permit system that would bring together project design, environmental review, permitting, and mitigation elements into a single process.

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	FY 2010	FY 2011	Biennial Total
FTE's	5.0	5.0	5.0
GFS	\$1,244,000	\$1,263,000	\$2,507,000
Other	\$969,000	\$730,000	\$1,699,000
Total	\$2,213,000	\$1,993,000	\$4,206,000

**Statewide Result Area:** Improve the economic vitality of businesses and individuals

**Statewide Strategy:** Regulate the economy to ensure fairness, security and efficiency

### Expected Results

Reduction in complaints regarding permitting delays and procedures. Streamlined decision-making process on permit applications.

## A010 Personal Service and Client Service Contracts

The Personal Services and Client Services Contracts section develops and maintains statewide contract policies for personal services and client services based on state regulations. Contract staff provide training and consult with agencies regarding contract and procurement issues to ensure agencies are appropriately expending contract dollars. The staff also provides review and approval of approximately 1,200 personal service contracts filed with OFM annually to oversee state agency contract practices and compliance with statutory requirements under RCW 39.29.

	FY 2010	FY 2011	Biennial Total
FTE's	4.9	4.9	4.9
GFS	\$648,000	\$614,000	\$1,262,000
Other	\$0	\$0	\$0
Total	\$648,000	\$614,000	\$1,262,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Support democratic processes and government accountability

### Expected Results

Contracts staff will provide training to state agencies on personal service and client service contracts and will train staff from 75 percent of state agencies.

## A011 Population Estimates, Forecasts, and Census Data

*Appropriation Period: 2009-11 Activity Version: 2C - 2009-11 Enacted Recast*

The Population Unit produces the official, statutorily required, population figures for the state, cities, towns, and counties, including the official county population forecasts required under the Growth Management Act (GMA). The statutorily required population estimates are needed for statewide economic and revenue forecasts and fiscal planning activity, budget driver, and expenditure forecasts. The Unit is also responsible for supporting all statutes using population size as criteria for the allocation of millions of dollars to local governments. The Unit certifies all population counts associated with municipal boundary changes in Washington, acts as liaison to the federal Bureau of the Census for state and local agencies, and assists the bureau with decennial census and product distribution activities through the State Data Center program. The Unit also determines the official population counts for annexations and provides population estimates for a new program that provides tax credits to municipalities for large annexations,

	FY 2010	FY 2011	Biennial Total
FTE's	8.5	8.5	8.5
GFS	\$1,152,000	\$1,013,000	\$2,165,000
Other	\$0	\$0	\$0
Total	\$1,152,000	\$1,013,000	\$2,165,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide data, information, and analysis to support decision-making

### Expected Results

Timely and accurate population estimates and forecasts required for sound fiscal management and planning, program administration/eligibility, and revenue allocations.

## A012 Risk Management

The Risk Management program identifies, controls, and reduces the financial impact of general liability, vehicle, and property losses to the state, and develops programs to finance the state's exposure to risk. In addition, the program protects the beneficiaries and assets of local government self-insurance programs through effective regulation. Services provided include administering a self-insurance program to finance tort losses; purchasing commercial insurance on behalf of state agencies; receiving, processing, delegating, and investigating state agency tort claims and legislative relief claims; maintaining a comprehensive master database of all claims; providing training to state agencies on how to lessen risks associated with tort liabilities; and approving and regulating local government property/liability risk pools and health/welfare employee benefit programs. (Risk Management Administration Account)

	FY 2010	FY 2011	Biennial Total
FTE's	22.3	22.3	22.3
GFS	\$292,000	\$301,000	\$593,000
Other	\$15,358,000	\$15,180,000	\$30,538,000
Total	\$15,650,000	\$15,481,000	\$31,131,000

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**Statewide Result Area: Strengthen government's ability to achieve results efficiently and effectively**

**Statewide Strategy: Safeguard and manage public funds**

### **Expected Results**

The loss prevention focus on vehicle accident prevention will result in a ten percent reduction of vehicle accidents involving state employee drivers by June 30, 2005. The measurement will be from the period July 01 - June 02 to the period July 04 - June 05.

## **A013 Statewide Accounting Policies and Reporting**

The Statewide Accounting Policies and Reporting section develops and maintains state administrative and accounting policies for payroll, travel, federal grants, accounting, and reporting. Policies incorporate federal and state regulations, as well as national accounting standards. The staff consults with and provides training to state agency personnel on the policies. The Statewide Accounting unit also monitors financial data for compliance with the policies and prepares a number of reports including the state's Comprehensive Annual Financial Report, the Audit Resolution Report, and the federally-mandated Single Audit Report. (Data Processing Revolving Account, Auditing Services Revolving Account)

	<b>FY 2010</b>	<b>FY 2011</b>	<b>Biennial Total</b>
<b>FTE's</b>	22.8	26.3	24.6
<b>GFS</b>	\$1,874,000	\$1,891,000	\$3,765,000
<b>Other</b>	\$1,019,000	\$1,119,000	\$2,138,000
<b>Total</b>	\$2,893,000	\$3,010,000	\$5,903,000

**Statewide Result Area: Strengthen government's ability to achieve results efficiently and effectively**

**Statewide Strategy: Safeguard and manage public funds**

### **Expected Results**

Increase agency compliance with applicable laws and regulations. Produce accurate, timely reports in response to requests for information and legal requirements.

## **A014 Statewide Economic and Revenue Forecasts, Fiscal Planning, and Research**



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This activity supports statewide fiscal planning and budget and revenue monitoring functions of OFM directly related to the development of the Governor's budget and the management of biennial budgets. The staff provide analysis of the impact of major economic events, social and economic trends, and public policies on the state economy and revenues. It supports OFM's role on the Economic and Revenue Forecast Council and the Expenditure Limit Committee and staffs the Governor's Council on Economic Advisors. It also helps provide official fiscal impact statements for statewide ballot measures. The staff also prepares statewide revenue, expenditure, and expenditure limit information for the Six-Year Outlook to support the preparation of the Governor's budget and the evaluation of biennial budgets in terms of risks and sustainability. The staff also provides analysis and recommendations to the Governor for the development of revenue and tax policy, including analysis of enrolled bills and fiscal notes in the revenue/tax area.

	FY 2010	FY 2011	Biennial Total
FTE's	8.5	8.5	8.5
GFS	\$1,152,000	\$1,013,000	\$2,165,000
Other	\$0	\$0	\$0
Total	\$1,152,000	\$1,013,000	\$2,165,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Safeguard and manage public funds

### Expected Results

Early identification of fiscal challenges, risks, and opportunities facing the state. Increase in the amount of time available to the Governor and Legislature to address fiscal challenges, resulting in more timely and effective responses. More effective use of scarce resources.

## A015 Statewide Policy Development for Governor's Office

The Executive Policy Office performs policy research and analysis for the Governor, and works with agencies and OFM budget staff in the development of proposed legislation and the Governor's budget proposal.

	FY 2010	FY 2011	Biennial Total
FTE's	26.1	30.6	28.4
GFS	\$4,190,000	\$3,123,000	\$7,313,000
Other	\$890,000	\$890,000	\$1,780,000
Total	\$5,080,000	\$4,013,000	\$9,093,000

**Statewide Result Area:** Strengthen government's ability to achieve results efficiently and effectively

**Statewide Strategy:** Provide data, information, and analysis to support decision-making

### Expected Results

*Appropriation Period: 2009-11 Activity Version: 2C - 2009-11 Enacted Recast*

All agency-proposed and enrolled bills are consistent with the Governor's legislative agenda.

## **A016 Washington Commission for National and Community Service**

The Washington Commission for National and Community Service was created in 1994 as part of the National and Community Service Trust Act of 1993 to implement AmeriCorps and support other national service initiatives throughout the state. Currently, the commission receives approximately \$14 million annually in competitive federal funds, supporting 15 programs that address major state and gubernatorial priorities. One of the largest programs, the Washington Reading Corps, places 250 members in needy elementary schools to raise reading levels of struggling readers. The commission will also have major priorities and programs as part of the national Citizen Corps that will support volunteers in homeland security activities. Commission staff support a 25-member commission appointed by the Governor that sets policy, identifies goals, and establishes priority needs that national service should address. In addition, the commission utilizes service as a strategy to help address gubernatorial priorities, ensures compliance with federal grant policies, and assesses the impact of national service investments in the state.

	FY 2010	FY 2011	Biennial Total
FTE's	7.8	3.3	5.6
GFS	\$464,000	\$467,000	\$931,000
Other	\$11,748,000	\$11,743,000	\$23,491,000
Total	\$12,212,000	\$12,210,000	\$24,422,000

**Statewide Result Area: Improve the economic vitality of businesses and individuals**

**Statewide Strategy: Coordinate government efforts to improve the effectiveness of economic investments**

### **Expected Results**

To expand the ethic of service throughout Washington State by inviting citizens of all ages and backgrounds to contribute their time and talents to strengthen and promote service and volunteerism as strategies for building healthy communities.

## **A017 WorkFirst Program**

OFM provides the staff support necessary to oversee the Governor's planning and implementation of Washington State's welfare reform initiative called WorkFirst. This program helps financially struggling families find and retain meaningful jobs, and build a better life for their children.

	FY 2010	FY 2011	Biennial Total
FTE's	4.1	5.1	4.6
GFS	\$658,000	\$662,000	\$1,320,000
Other	\$0	\$0	\$0
Total	\$658,000	\$662,000	\$1,320,000

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**Statewide Result Area: Improve the security of Washington's vulnerable children and adults**

**Statewide Strategy: Provide support services to families**

### **Expected Results**

Increases in financially struggling families gaining and maintaining jobs.

## **A018 Management, Accountability and Performance**

This activity assists agencies in successfully implementing the Governor's management agenda, including Plain Talk and GMAP (Executive Orders 05-02 and 05-03) It also provides technical assistance and enterprise-wide strategic direction on performance and accountability.

	<b>FY 2010</b>	<b>FY 2011</b>	<b>Biennial Total</b>
<b>FTE's</b>	12.5	12.5	12.5
<b>GFS</b>	\$1,878,000	\$1,889,000	\$3,767,000
<b>Other</b>	\$0	\$0	\$0
<b>Total</b>	\$1,878,000	\$1,889,000	\$3,767,000

**Statewide Result Area: Strengthen government's ability to achieve results efficiently and effectively**

**Statewide Strategy: Support democratic processes and government accountability**

### **Expected Results**

To help agencies improve in targeted results areas (Governor's priorities); agencies report that guidance and technical assistance from OMAP is timely, useful and effective; citizen satisfaction with government services and perception of government accountability improves.

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**Grand Total**

	<b>FY 2010</b>	<b>FY 2011</b>	<b>Biennial Total</b>
<b>FTE's</b>	318.9	329.0	324.0
<b>GFS</b>	\$22,163,000	\$20,792,000	\$42,955,000
<b>Other</b>	\$50,461,000	\$48,374,000	\$98,835,000
<b>Total</b>	\$72,624,000	\$69,166,000	\$141,790,000